PUBLIC NOTICE

File Number: NRS 15.122

Pursuant to Chapter 0400-4-7 of the Department's rules, the proposed activity described below has been submitted for approval under an Aquatic Resource Alteration Permit and §401 Water Quality Certification. This notice is intended to inform interested parties of this permit application and to ask for comments and information necessary to determine possible impacts to water quality. No decision has been made whether to issue or deny this application.

APPLICANT: Sheree Reed
Superintendent
Athens Utility Board
P.O. Box 689
Athens, TN 37371
423-745-4501

LOCATION: Athens UB Pipeline Project, Hwy 406 to Hwy 255, North Mouse Creek, Athens, McMinn County (Lat: 35.482142/Lon: -84.478489)

PROJECT DESCRIPTION: The applicant proposes to install 26.4 miles of an eight inch natural gas utility line from Hwy 406 to Hwy 255 in McMinn County crossing thirty seven streams. All flowing streams would be crossed by horizontal directional drill method. All impacts to aquatic resources would be temporary.

Impact 1: Latitude: 35.488296 Longitude: -84.48136
Unnamed tributary to Dry Hollow Creek (TN05130105015_0500)
Install 8" Natural Gas supply utility line using the open trench method when channel is dry.

Impact 2: Latitude: 35.48733 Longitude: -84.495546
Unnamed tributary to South Fork Oostanala (TN06020002083_0999)

Install 8" Natural Gas supply utility line using the open trench method when channel is dry.

Impact 3: Latitude: 35.485542 Longitude: -84.4982411
Unnamed tributary to South Fork Oostanala (TN06020002083_0999)

Install 8" Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 4: Latitude: 35.484564 Longitude: -84.499655
Unnamed tributary to South Fork Oostanala (TN06020002083_0999)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 5: Latitude: 35.491411 Longitude: -84.5085802
Unnamed tributary to South Fork Oostanala (TN06020002083_0999)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 6: Latitude: 35.4951394 Longitude: -84.505038
Unnamed tributary to South Fork Oostanala (TN06020002083_0999)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 7: Latitude: 35.4997789 Longitude: -84.4956772
Unnamed tributary to South Fork Oostanala (TN06020002083_0999)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 8: Latitude: 35.5032579 Longitude: -84.489300
Unnamed tributary to South Fork Oostanala (TN06020002083_0999)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 9: Latitude: 35.5061928 Longitude: -84.4853531
Unnamed tributary to South Fork Oostanala (TN06020002083_0999)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 10: Latitude: 35.5063803 Longitude: -84.48504906
Unnamed tributary to South Fork Oostanala (TN06020002083_0999)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 11: Latitude: 35.51162401 Longitude: -84.4870393
Oostanala Creek (TN06020002083_1000)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 12: Latitude: 35.5362323 Longitude: -84.4894344
Unnamed tributary to Sweetwater Creek (TN06010201015_0999)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 13: Latitude: 35.5489004 Longitude: -84.4884007
Unnamed tributary to Sweetwater Creek (TN06010201015_0999)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 14: Latitude: 35.548878 Longitude: -84.4891289
Unnamed tributary to Sweetwater Creek (TN06010201015_0999)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 15: Latitude: 35.549887 Longitude: -84.4968349
Unnamed tributary to Sweetwater Creek (TN06010201015_0999)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 16: Latitude: 35.549885 Longitude: -84.50512053
Unnamed tributary to Sweetwater Creek (TN06010201015_0999)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 17: Latitude: 35.5506971 Longitude: -84.51316146
Sweetwater Creek (TN06010201015_1000)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 18: Latitude: 35.5543905 Longitude: -84.512036
Unnamed tributary to Sweetwater Creek (TN06010201015_0999)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 19: Latitude: 35.55834301 Longitude: -84.5093183
Sweetwater Creek (TN06010201015_1000)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 20: Latitude: 35.56174065 Longitude: -84.50710106
Sweetwater Creek (TN06010201015_1000)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 21: Latitude: 35.57064853 Longitude: -84.52359805
Unnamed tributary to Sweetwater Creek (TN06010201015_0999)

Install 8” Natural Gas supply utility line using the open trench method when channel is dry.

Impact 22: Latitude: 35.5872806 Longitude: -84.52505265
Unnamed tributary to Mud Creek (TN06040002026_0600)

Install 8” Natural Gas supply utility line using the open trench method when channel is dry.

Impact 23: Latitude: 35.5879218 Longitude: -84.5276745
Unnamed tributary to Mud Creek (TN06040002026_0600)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 24: Latitude: 35.5862621 Longitude: -84.5561593
East Fork Mouse Creek (TN06020002084_0300)

Install 8” Natural Gas supply utility line using the open trench method when channel is dry.

Impact 25: Latitude: 35.58602237 Longitude: -84.5653862
Unnamed tributary to North Mouse Creek (TN06020002084_0300)

Install 8” Natural Gas supply utility line using the open trench method when channel is dry.

Impact 26: Latitude: 35.58563763 Longitude: -84.5703029
North Mouse Creek (TN06020002084_1000)

Install 8” Natural Gas supply utility line using the open trench method when channel is dry.

Impact 27: Latitude: 35.5844981 Longitude: -84.5744346
Unnamed tributary to North Mouse Creek (TN06020002084_0300)

Install 8” Natural Gas supply utility line using the open trench method when channel is dry.

Impact 28: Latitude: 35.57621681 Longitude: -84.5851737

Unnamed tributary to North Mouse Creek (TN06020002084_0300)

Install 8” Natural Gas supply utility line using the open trench method when channel is dry.

Impact 29: Latitude: 35.5697150 Longitude: -84.592562
Unnamed tributary to North Mouse Creek (TN06020002084_0300)

Install 8” Natural Gas supply utility line using the open trench method when channel is dry.

Impact 30: Latitude: 35.5665167 Longitude: -84.5938335
Unnamed tributary to North Mouse Creek (TN06020002084_0300)

Install 8” Natural Gas supply utility line using the open trench method when channel is dry.

Impact 31: Latitude: 35.56470693 Longitude: -84.59404865
Unnamed tributary to North Mouse Creek (TN06020002084_0300)

Install 8” Natural Gas supply utility line using the open trench method when channel is dry.

Impact 32: Latitude: 35.5517970 Longitude: -84.5982968
Unnamed tributary to Latham Springs Branch (TN06020002084_0200)

Install 8” Natural Gas supply utility line using the open trench method when channel is dry.

Impact 33: Latitude: 35.5522848 Longitude: -84.5987864
Unnamed tributary to Latham Springs Branch (TN06020002084_0200)

Install 8” Natural Gas supply utility line using the open trench method when channel is dry.

Impact 34: Latitude: 35.5289725 Longitude: -84.60680828
Unnamed tributary to North Mouse Creek (TN06020002084_0300)

Install 8” Natural Gas supply utility line using the open trench method when channel is dry.

Impact 35: Latitude: 35.52643256 Longitude: -84.6038267
Unnamed tributary to North Mouse Creek (TN06020002084_0300)

Install 8” Natural Gas supply utility line using the open trench method when channel is dry.

Impact 36: Latitude: 35.52081517 Longitude: -84.6083716
Unnamed tributary to North Mouse Creek (TN06020002084_0300)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

Impact 37: Latitude: 35.5196833 Longitude: -84.60909943

Unnamed tributary to North Mouse Creek (TN06020002084_0300)

Install 8” Natural Gas supply utility line using the horizontal directional drilling method outside of ordinary high water mark.

WATERSHED / WATERBODY DESCRIPTION: Dry Hollow Branch, Oostanala Creek, Sweetwater Creek, North Mouse Creek and Latham Springs Branch flow into the Hiwassee River. The Hiwassee River Watershed is located in Middle Tennessee and North Carolina. The Tennessee portion includes parts of Bradley, Hamilton, McMinn, Meigs, Monroe and Polk counties. The Hiwassee River Watershed drains approximately 2,099 square miles, 1,011 square miles of which are in Tennessee, and empties to Chickamauga Reservoir (Tennessee River). A portion of the Hiwassee River is designated a State Scenic River. Only the segment in Polk County from U.S. 411 Bridge upstream to the North Carolina-Tennessee state line. For more information on this watershed please visit http://www.state.tn.us/environment/water/watersheds/lower-tennessee-river.shtml

Oostanala Creek (TN06020002083_1000) and North Mouse Creek (TN06020002084_1000) represent typical streams along the gas pipeline alignment within the Southern Shale Valleys ecoregion (67g). The channel dimensions are variable but typically are less than twenty feet across at the bed and bank heights vary from five to eight feet. Typical substrate in this section is comprised of bedrock, cobble gravel and sands.

Both streams were assessed in 2010 and are supporting its designated uses. Therefore the stream is available for the proposed impacts to habitat.

Stream Name / ID #: Oostanala Creek (TN06020002083_1000) and North Mouse Creek (TN06020002084_1000)
Ecoregion: Southern Shale Valleys ecoregion (67g).
Stream Dimension: Channel bottom width <20’
Chanel top width 20-30’
Water depth n/a
Bank height 5-8’
Substrate: bedrock, cobble gravel and sands

Designated Use	**Use Support**
Fish and aquatic life	fully supporting
Recreation	fully supporting
Industrial water supply	fully supporting
Irrigation	fully supporting
Livestock watering & wildlife	fully supporting

Assessment Date: 2010

PERMIT COORDINATOR: Brian Canada

FACTORS CONSIDERED: In deciding whether to issue or deny a permit, the department will consider all comments of record and the requirements of applicable federal and state laws. In

making this decision, a determination will be made regarding the lost value of the resource compared to the value of any proposed mitigation. The department shall consider practicable alternatives to the alteration. The department shall also consider loss of waters or habitat, diminishment in biological diversity, cumulative or secondary impacts to the water resource, and adverse impact to unique, high quality, or impaired waters.

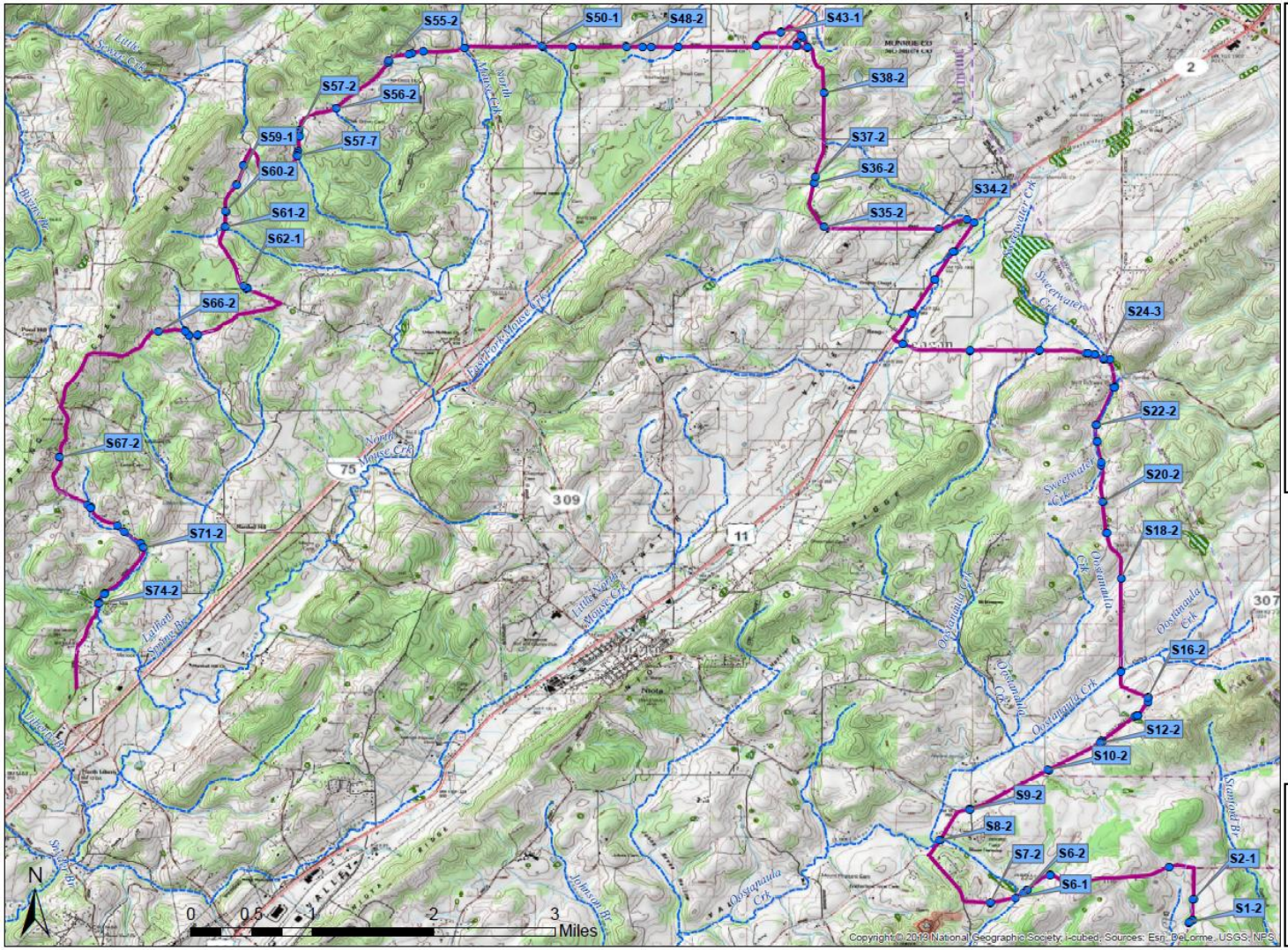
COMMENTING: Persons wishing to comment on the proposal are invited to submit written comments to the department. Written comments must be received within **thirty days of the date that this notice is posted**. Comments will become part of the record and will be considered in the final decision. The applicant's name and permit number should be referenced. Send all written comments to the department's address listed below and to the attention of the permit coordinator.

PUBLIC HEARING: Interested persons may request in writing that the department hold a public hearing on this application. The request must be filed within the comment period, indicate the interest of the person requesting it, the reasons that the hearing is warranted, and the water quality issues being raised. When there is sufficient public interest in water quality issues, the department will hold a public hearing. Send all public hearing request to the department's address listed below and to the attention of the permit coordinator.

APPEAL: A permit appeal may be filed, pursuant to T.C.A. §§ 69-3-105(i) and Rule 0400-40-05, by the permit applicant or by any aggrieved person who participated in the public comment period announced by this notice. This petition must be filed within THIRTY (30) DAYS after public notice of the issuance of the permit. The petition must specify what provisions are being appealed and the basis for the appeal. It should be addressed to the technical secretary of the Tennessee Board of Water Quality, Oil and Gas at the following address: Tisha Benton, Director, Division of Water Resources, William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Ave, 11th floor, Nashville, TN 37243. Any hearing would be in accordance with T.C.A. §§69-3-110 and 4-5-301 et seq.

FILE REVIEW: The permit application, supporting documentation including detailed plans and maps, and related comments are available at the department's address (listed below) for review and/or copying.

Tennessee Department of Environment & Conservation
Division of Water Resources, Natural Resources Unit
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, 11th Floor
Nashville, Tennessee 37243



STREAM DETERMINATION REPORT

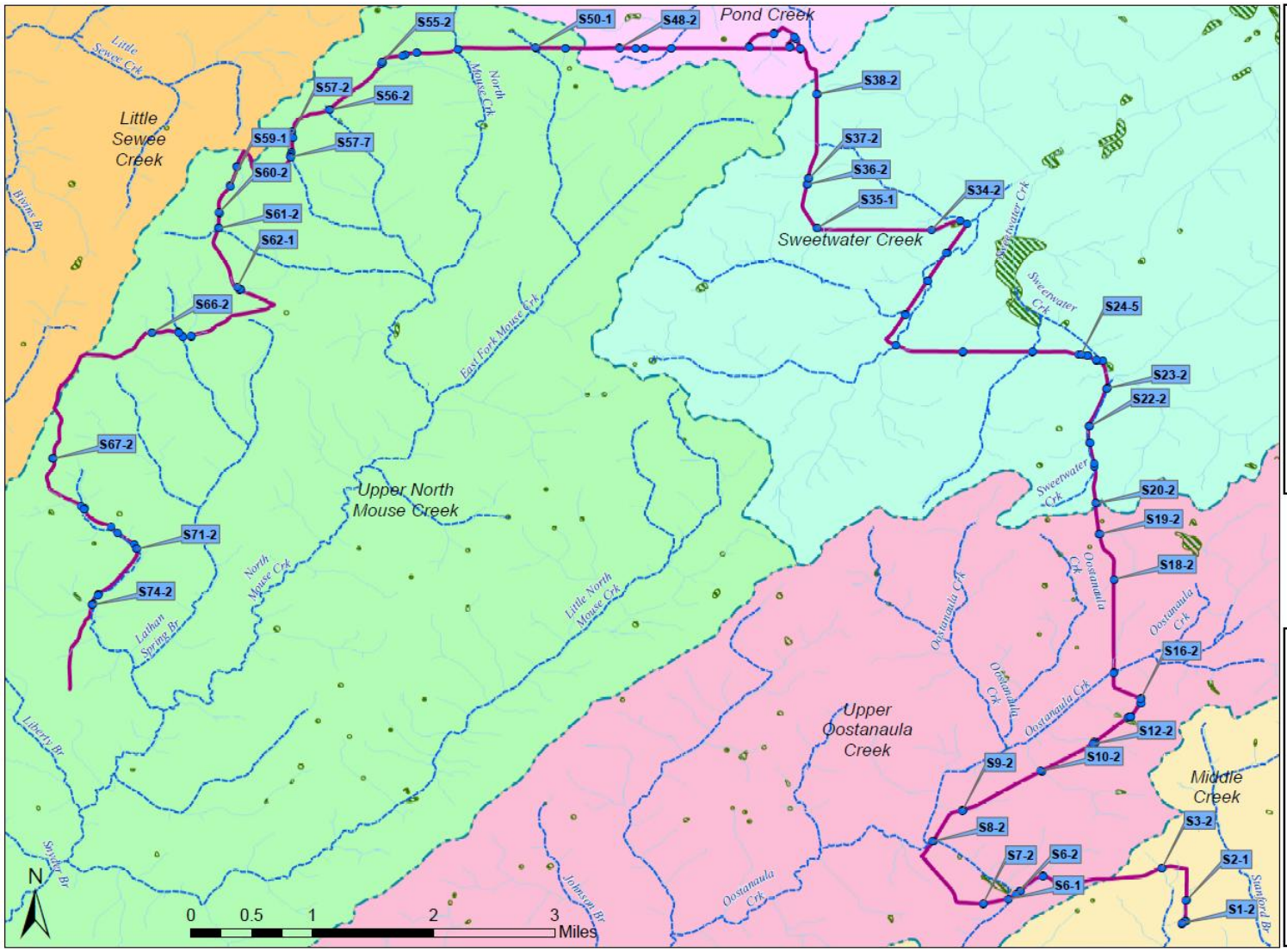
(Figure 1)

The TENNERGY Corporation

LORD & WINTER

LEGEND

- Streams & WWCS
- USGS STREAMS
- UD INTERCONNECT
- NWI WETLAND



STREAM DETERMINATION REPORT

(Figure 2)

The TENNERGY Corporation

LORD & WINTER

LEGEND

- Streams & WWCS
- UD INTERCONNECT
- USGS STREAMS
- NWI WETLAND

HUC

- Sweetwater Creek
- Pond Creek
- Little Sewee Creek
- Middle Creek
- Upper North Mouse Creek
- Upper Ostanaula Creek